## STATE OF TENNESSEE

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TN REGULATORY AUTHORITY

Mr. K. David Waddell **Executive Secretary** Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

Re:

Motion of the TEC Companies for Modification or Limited Waiver of Prior Order

in Docket No.: 96-00774 99-0070>

Dear Mr. Waddell:

On September 19, 1999 the TEC Companies (TEC) filed a motion for the modification of a limited waiver of the April 1, 1997 TRA order allowing TEC to discontinue providing its customers a 50% credit for the first sixty minutes of IntraLATA contiguous county calling when a customer selected any carrier other than BellSouth as its IntraLATA carrier. As stated in TEC's motion, the April 1, 1997 approved a settlement between TEC and the Consumer Advocate Division of the Office of the Attorney General.

At this time, the Consumer Advocate Division has not determined that it can or can not support the TEC motion. The Division is concerned that if the credit for those customers who, under TEC's dialing plan, select a carrier other than BellSouth is eliminated, the dialing plan would be considered discriminatory, not competitively neutral, and would not provide true dialing parity since TEC would in effect provide the BellSouth's long distance customers a rebate for calls to contiguous counties but not to the customer of other long distance companies. In order to be nondiscriminatory any terms must not be company specific.

In proposing to eliminate the 50% credit for non BellSouth long distance customers, TEC contends that, "... it is practically impossible to administer such a program for so few people and the companies do not have an Interconnection Agreement or contractual arrangement with any other companies . . . . " (Motion at page 2. Emphasis added). In its

motion, TEC does not explain if it is willing or if has offered to enter into an Interconnection Agreement or contractual arrangement with other companies that is consistent with its agreement with BellSouth. It may be more appropriate to address the TEC's concerns within the dialing parity docket and provide that credit would continue for those long distance companies that entered into an agreement consistent with that between the TEC companies and BellSouth.

Sincerely.

Vincent Williams